

APPROVED 09-10-08

The meeting was called to order at 7:13 PM by Chairman Charles Kimball. Present were members Charles Kimball, Michael Nygren, Peg Pinkham, Doug McElroy, Andy Kohlhofer, Donald Gates, Town Administrator Heidi Carlson and Recording Secretary Jeanne Nygren.

Pinkham spoke regarding her interest in the open position on the Budget Committee. After consideration and investigation she won't be able to fill the position. Both Kohlhofer and Carlson presented RSA regarding this position. Chris Kenneway was not present tonight and Pinkham said she will be representing the School Board at this meeting. Pinkham said the school is having their attorney investigate whether the School District is under the Municipal Budget Act. There is no record from the State on this vote and this would have to go to a town vote. Carlson asked for the information they have been presented as well for review.

Kohlhofer said it had been voted on some time ago. Pinkham said it wasn't as far as their attorney could ascertain.

Kohlhofer said for the first time in decades that the school budget got voted down and is this the response from the School Board to do away with the Budget Committee. He said that this research could have been done anytime in the past 30 years, and asked why now. Pinkham didn't agree with Kohlhofer's opinion. Kenneway was the one who brought this up and it was found when the school was having a financial audit done.

Gates said this issue needs to be resolved. An issue also is, can two members of the School Board can be on the Budget Committee. Carlson said no, if we are under the Municipal Budget Act in accordance with RSA 669L7, incompatibility of offices. Kohlhofer read RSA 32:15 that said no. Gates asked if she could sit as an alternate, and did she need to be voted in as this alternate by the Budget Committee. Carlson said Pinkham can serve as an alternate if needed in the absence of Kenneway, but the School Board has to delegate her as serving as an alternate Budget Committee member representing the School Board. Carlson said this is done also on the Planning Board, there is one Selectman on the Board and two Selectmen that serve as alternates if the need arises.

Pinkham asked if she would have voting rights. She is able to vote even if she hasn't been to all the meetings. Her intent in applying for this position wasn't to load the School Board. While at her School Board meeting she discussed this with her Board and the decision was made not to challenge the Budget Committee for this position, and hopefully someone will be found to fill this position. Pinkham said RSA 32:15 was the one Kohlhofer quoted to her. Carlson had another RSA 669:7 that stated the same thing.

Heidi Carlson said if this is going to continue to be the case as to whether or not we adopted this statute, since we have been operating under this way for the last 15 years that she has been Administrator. We should simply rectify it with a Town meeting vote seeing that we have been operating this way for the past 30 to 40 years, it would make sense to go on as a warrant article and ask, do we want to adopt the provisions of the Municipal Budget Act. DRA has never kicked back saying we are not a MBA town which would have required different forms to be filled out each year.

Pinkham said one of the reasons it was raised was because the Budget Committee raised the question who presents first on the warrant at the School District Meeting. It wasn't the School Board who raised this question it was the Budget Committee.

Kohlhofer asked when the vote became law. Carlson wasn't sure of the date. Pinkham said it became automatic if you had adopted it before, but there was no early adoption. Pinkham was told that if dues that were paid to the State, they should come back to the Town. Pinkham was told that dues were paid to the State since 1963. She said Matthew Thomas has been doing a lot of research on this matter.

Kohlhofer asked if we were not a Municipal Budget Committee, are we an advisory committee?

Carlson said if we are not an MBA Town, then you are something else, which would have to be designated by a vote.

Kimball said the Town voted and they were then elected at Town meeting versus appointed. He believes this vote was the first year he came on the Budget Committee which was in 1972.

Carlson wanted to know if she needed to advertise the Budget Committee position again. The Committee said yes. She also said that the resignation letter from Stanton needs to get to the Selectmen and Town Clerk for the records. Kimball will continue to look for this letter.

Pinkham brought a copy of the month of July School District budget. Carlson copied and passed this out to the members present.

Kohlhofer asked that on page two what these two positions were that were cited. Pinkham said the numbers in the negative are grant funded under IDEA and these funds are not approved until October. They cannot show the revenue until the state budget is approved. Kohlhofer asked if these were annual grants. Pinkham wasn't sure. McElroy also noticed several other line items that had negative figures and Pinkham wasn't sure what these reflected. Pinkham said that Scribner is going to be attending meetings when the school budget starts to help the Budget Committee in going through the budget and answer questions. She is planning to be available at the beginning of the meeting. In the question of other deficit items that was made by McElroy, Pinkham will find out what the other figures that were under encumbrance are and she continued that the DOE report will be done for next week. The School Board is trying to find a way to define items that may need to be explained in detail for the Budget Committee. Scribner will put together a sheet explaining ones that may be questioned by the Budget Committee. The School accounting system software will not allow them to add columns to this report to include written rationale information.

Kohlhofer asked if the DOE report was a wrap up of last year's budget. Pinkham said it is what was actually recorded. Scribner should have this before the next Budget Committee meeting. This will have the encumbrances detailed out, it would be how they ended the 07-08 year. Kohlhofer would like to see last year's report. Kohlhofer also requested to have a report of every one who receives physical therapy and other special education services. He does not want the names, he wants by number and number of IEP's that designated physical therapy and who actually receives PT, or the designated service. . He would like to see also the same for speech, occupational therapy and all the other information that already has been requested before by the Budget Committee. Nygren said this has been requested in the past. Kohlhofer said that when the Committee requests things, the statute provides that the Committee get them. He wants to know if IEPs say students required a special service that the kids actually received it. The number of kids designated physical therapy, the number of kids who receive it. Gates said we know the budget number. Kohlhofer wants to make sure we have a handle on it and they are

only giving it to those IEP so designates. Pinkham said there are kids that are in both and one may require partial speech pathology while another may be in five days a week. Kohlhofer understood that the information varies and overlapped in some cases.

Nygren asked to have it broken down by in district and out of district cost, the number of contract hours spent for out of district, the whole breakdown of how they were spending their special educational dollars. If there were 90 IEPs, the Budget Committee wants to know what the category breakdown was for them and what the dollar cost was. Is it done by in house teachers that are salaried or by contract work?

Pinkham does not know if the numbers she is able to give will be a help with what they need.

Nygren said if you were given a bill, you would want to know what it consisted of and who provided the services. They should have all the invoices on file before any bills are paid. This to him shouldn't be difficult in tracking. Pinkham said this is going to be time consuming.

Nygren said the Budget Committee asked for this last April so they could start doing this and so they could have it ready now, month by month. Pinkham said it was the first she heard of it. Nygren said perhaps she wasn't here and that is why some of this requested information now should get to Kenneway so she knows precisely what the Committee is looking for. Pinkham said this might take some time since they are just getting back into school for the upcoming year.

Kohlhofer also asked the school for the pre kindergarten (3-5 year old) special Ed information. Because this is a state mandate this should not be coming out of property taxes and what the cost was and what we are reimbursed by the federal government. If this is state mandated, then it should come from the federal government and fully funded by State. He wants to make sure this is being paid for as it should be.

Kimball asked about the extra bus and wants to know how many kids will ride it daily, so we have some figures for the first quarter to know if this was a good decision,

Kohlhofer said under the RSA, that the Budget Committee can ask that all appropriations and all spending by them, be made in such detail as the Budget Committee may require.

Pinkham said they don't know how long it is going to take but will get the answer.

Kimball wanted to go onto the Town budget. Carlson asked which report are they looking at. There are two dates 7-29-08 and 8-1-08. Copies were provided by Carlson to those who did not have these figures with them this evening. This year's accounting system had a couple of months that were lumped together, and next year Carlson will have 12 months of raw data for trending each month. Also there is a list of expense accounts that are only paid once or twice a year for reference.

Nygren asked why was the police new training at \$18000. Carlson said there were new academy hours. One officer attended the academy full time, now 43 hours per week. Nygren said this was already allocated in his budget. Nygren thinks a better breakdown by each officer should be given to the Budget Committee and requested these figures by the number of hours each officer is working. There is one month where there is \$30,000 spent, another one \$35,000. Nygren said there are months there is a \$4,000.00 difference from one month to another. If the training is being done on overtime then maybe Janvrin should be doing

the training. He doesn't think this is an expense the Town can keep incurring. Carlson said that Janvrin may be able to have his system do these figure requests. Nygren questioned this may have been charged to training instead of patrol. Should Janvrin's time be used to take care of the new employees?

Carlson there was an officer that went to the full-time academy for 4 months, that could be explained in the overtime used. Nygren asked are there provisions in scheduling made when these absences happen. Nygren wants to see the number of hours worked by each employee this year, straight time and overtime. Also numbers of hours spent in the overtime category to training a new officer. Gates thought maybe when all the patrol are brought in for training, only one or two of them are on duty the rest are getting overtime for this. Gates is looking for an explanation and for being more responsible. Nygren asked if training hours are a regular officer doing the training. He questioned was this full time officer scheduled to go to the academy?

Carlson said the base of the academy schedule there is 3 hours of overtime a week because of this training at the academy and because they have changed their schedule. Carlson said the newest officer hired in January was scheduled to go to the academy.

Kohlhofer asked when the academy changed to 43 hours and who mandated. Carlson said the state. Kohlhofer said per the constitution the State has to pay for this. Carlson said this has to be taken up with Janvrin as she did not know the particulars.

Nygren said police officers are paid for 54 weeks a year instead of 52. There are times that he feels the attitude to keep the employee are happy and paid well, more so than the welfare of the Town as far as the budget is concerned. There is no reason that the 10 holidays that a part timer can't be scheduled for these days to cover and tell them the schedule for the whole year. Nygren wants to know how many call in on their holiday and overtime has to be used to replace them. Carlson doesn't know how easy this number can be extracted. She only has a record when vacation or sick time is used. She will try to get the answer from Janvrin.

Kohlhofer asked do we really need to replace them. Kohlhofer asked how many full time police. Carlson said 4 officers and one clerical administrative position are full time. Janvrin is part-time 34 hours.

Kohlhofer asked did they buy the unmarked police car. McElroy said no, the fund was started. Kohlhofer wanted to bring up a point that according to the RSA at town meeting you can add to the bottom line of a line item but cannot add a line item. Carlson said they amended the amount in the Capital Reserve Fund for police cruisers. They could use this money to buy an unmarked car.

Kohlhofer noticed that we are over in insurance line already. Carlson said this was over \$1800.00 due to changes in evaluation of buildings, etc. They are locked into a program, but will try to get rate stabilization next year.

Carlson asked if there was anything else on the Town budget. Kohlhofer asked how the price of gas has impacted the budget. Carlson said the Police Department doesn't look that bad, Fire

Department money has been moved around out of some old accounts and allocate all into fuel, and doesn't know if they will make it. The Highway Department Carlson may be over as well. These figures are only thru June 30 because this bill is quarterly to the Town. Nygren also asked to obtain a gallon per vehicle that the cruisers use. Kimball sees that they are shutting vehicles off more, than have them idle using gas.

Kimball asked about the wage study. Carlson is hoping to get the man from LGC here in two weeks. Carlson will copy the important parts once there is a final draft for the Budget Committee.

Carlson asked if there was anything else. Carlson needs to set the schedule for the upcoming season. She will make every effort for all the department heads to come in. Carlson has FD, PD, part of the two other budgets that she needs to present to the Selectmen first and then she can start going on the Town with the Budget Committee in two weeks.

School should stay on the original schedule. Trying to do both the Town budget and the School budget at the same time would be difficult. The school is the 1st week in February, in order to meet the SB2 calendar. Kohlhofer stated we may need to meet more than once a week for the school budget.

McElroy said we should set a goal to be done with the Town by December due to SB2. Nygren wanted a copy of the matrix. Carlson will get this data together once the final draft is received. Kohlhofer asked if you can email it out. Nygren said just copy and he will drop them off to houses. The Selectmen have not set a COL but the wage study may be used independent of a COL increase. Department heads are not used to getting this data so early because of SB2. Saturday meetings could be set she will see if departments can come in. Kimball would rather spent 4 hours on a Saturday if need be. Nygren didn't want Saturdays. If budgets are focused on and then resolved, one night a week should be enough. Kohlhofer said lets keep it on Wednesdays nights. Nygren said looking at the monthly trends are easier to go over a budget and can go through quicker. As an example looking at budget monthly Animal Control, January and February figures

where did they come from? Was she in the academy? Carlson said this is a police issue not animal control. Going through monthly you can break it down easier and understand quicker.

Nygren wanted Selectmen to explain when allocating additional money for each department, how it is being justified and wants to know their reasoning why. Gates one situation last year, police budget was presented with cruiser in it. The Selectmen did not support it. It was then pulled off the table. At Town Meeting someone stands up on the floor to put it back in, the voters don't see that the Budget Committee didn't support. Gates when someone submits a budget this should be the budget. The voters don't see the effort, negotiations or conversations that take place to get to the decisions made.

The following meeting dates at 7:00 PM are set: September 3, 10, 17 and 24. October 1, 8, 15, 22, 29, November 5 and 12, 2008.

McElroy said to tell the School by the 12th of November, the Budget Committee will be ready to start their budget. Does the school have a deadline for negotiations? Pinkham said they can set one, they have a target. It depends upon the teacher's union. Pinkham said by the next meeting the paraprofessional contract will have been approved by the School Board.

Nygren stated the New Hampshire Health Insurance is going to increase 10%, when does it get to the point that you can no longer afford to pay this and the benefits can out cede the pay. Maybe just pay the deductible and get a lesser policy. What is the chance of getting a different policy?

Gates said the health savings account is good deal. If you don't use it you have that money now, which is your money. It has a high deductible or whatever you choose. Once you fund the deductible, the first year may be tough to get it into the bank but the second year maybe beneficial if you don't use it and are healthy. The \$5000.00 is yours to put into an IRA or whatever investment you choose. He feels this is a good deal for someone young. Accumulated money can be rolled over if not used and it is pretax.

Carlson said the health insurance and solid waste budget lines might not be finished by November. December trash renewal won't be in until later as well as the health insurance premium, these figures will be estimated on their best estimates. Kohlhofer said if glass is separated by color you get a lot more money for it. Carlson said this is a Waste Management issue not the Towns. The Waste Management people were in a few weeks ago and discussed how things were going. Gates said the numbers were starting to change slowly, increasing recycling and decreasing solid waste tonnage.

With nothing else for tonight meeting a motion to adjourn the meeting was made by Kohlhofer, seconded by Nygren, all were in favor. The meeting was adjourned at 8:40 PM.

Respectfully submitted by,

Jeanne Nygren